

## U. S. Department of Housing and Urban Development (HUD) and City of Phoenix Neighborhood Stabilization Program (NSP)

### FACT SHEET

Neighborhood Stabilization Program (NSP) funds are helping communities hardest hit by foreclosures put foreclosed and abandoned properties back into productive use.

In 2009, the city of Phoenix received \$39.4 million in HUD Neighborhood Stabilization Program (NSP1) grant funds from the Housing and Economic Recovery Act of 2008 (HERA) and in February, 2010, received \$60 million in additional Neighborhood Stabilization Program (NSP2) funds under the American Recovery and Reinvestment Act (ARRA). Funding from these two grants is expected to address at least 1,500 single- and multi-family properties in Phoenix.

- NSP1 dollars are being used in Phoenix to:
  - offer incentives for homebuyers, prepared for responsible homeownership by HUD-approved counselors, to purchase a foreclosed home of their choice anywhere in Phoenix or to select a home purchased, refurbished and offered for sale by an NSP developer in targeted neighborhoods.
  - purchase and rehabilitate foreclosed multi-family complexes to provide affordable housing for households at or below 50 percent of the area median income.
  - purchase blighted foreclosed/abandoned properties to demolish and redevelop in targeted areas.
- Outcomes to date include:
  - 172 homebuyers have purchased or contracted to purchase foreclosed houses to use as their family residence, using NSP homeownership purchase assistance loans.
  - 124 foreclosed homes have been purchased by NSP developer partners for rehab and resale to eligible buyers.
  - 4 multi-family properties have been purchased that will be rehabilitated and provide more than 700 affordable rental units for households at or below 50 percent of the area median income.
  - 16 blighted properties – including the blighted, 52-unit multi-family Sunset Manor complex – have been purchased for demolition and redevelopment to revitalize and stabilize target neighborhoods.
- NSP homebuyer programs available:

Interested homebuyers who meet program eligibility requirements receive a \$15,000 zero-interest, deferred-payment loan to use toward the purchase of a foreclosed home. Options for homebuyers are:

  1. Move-in Ready (MIR) Program  
**13 newly remodeled homes now available:** Provides homebuyers the opportunity to purchase newly remodeled homes for sale by NSP developer partners. Improvements meet housing quality standards, have enhanced curb appeal and are energy efficient. To see a list of homes and program information: visit [phoenix.gov/nsphome](http://phoenix.gov/nsphome), call 602-262-6602 or e-mail [info@nspphoenix.gov](mailto:info@nspphoenix.gov)
  2. Home Improvement Program (HIP)  
Buyer-driven program will provide an additional incentive of up to \$40,000 in rehabilitation improvements (ala HUD 203k loan), depending on the condition of the foreclosed home, to use with the \$15,000 for purchase assistance.
- NSP2 funds will be used to expand on the efforts above, including innovative subdivision strategies and collaborations with other Valley cities on complementary multi-family rental projects.